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**Ukraine National Initiatives to Enhance Reforms Project**

**Annual Performance Report**

**1 October 2013 – 30 September 2014**

**Cooperative Agreement No. 121-A-00-08-00707-00**

**Submitted by Pact, Inc.**

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## **I Executive Summary**

During the FY14 Ukraine National Initiatives to Enhance Reforms (UNITER) project continued to support civil society in Ukraine with more focused effort under three objectives:

- **Objective 1: NGOs better represent citizen interests and drive reform through more effective advocacy, monitoring and activism** – working towards three broad categories of relevant policy areas important for Ukraine’s path towards democratic development, social cohesion and economic modernization. Pact forges collaboration among UNITER partners and other stakeholders to advocate collectively for policy reforms related to civil society at the national level.
  - o **Election activities:** Under modification 10 Pact has expanded its activities of UNITER project in the election theme. With the abrupt political change the pre-term Presidential election were held on May 25, 2014. Pact has supported two non-partisan civil society initiatives that contributed to greater transparency of the process and increased civic education about candidates.
- **Objective 2: The relevant legislative framework for civil society approaches European standards** – working with its recognized local partner, Pact aims to promote reforms conducive to a Ukrainian legal framework that provides enabling legal infrastructure for a functioning and sustainable civil society.
- **Objective 3: NGOs are transparently governed and capably managed** – guided by a comprehensive roadmap, Pact strengthens lead NGOs’ capacity and organizational development towards “graduation” to direct foreign donors funding.

The major political crisis, triggered as a reaction on Yanukovich decision not to sign EU-Ukraine Association Agreement, has influenced the civil society activities to the great extent. The immense civic protest Euromaidan movement has led to the fled of the President Yanukovich and abrupt change of the government. The window of opportunity that has opened as result of the regime change, however, remains underutilized as the focus of the new government is shifted to the conflict that is provoked by Russia. Starting with annexation of Crimea right after the fled of the Yanukovich, Russia moved on intervening into East of Ukraine. Supporting the radical movements in East and South of Ukraine, Russia hoped to undermine Ukraine’s further integration with the West.

UNITER partners took an active role on supporting civic demand for greater transparency and accountability. As they have been advocating for democratic reforms and EU integration for years, the protests has shown the increased demand and support of this agenda. The UNITER supported networking approach has been critical for self-organization of the different groups engaged in supporting protesters and volunteers. Later in the year, when the conflict with Russia has started civil society has played critical role in supporting and often replacing services that dysfunctional state could not provide with the volunteers movements. While the large part of civil society continue to address emergency needs related to the conflict, UNITER partners under Reform Reanimation Package and anti-corruption platforms continue to push for further reforms.

Outputs of the FY14 include:

### **Advocacy:**

- 9 legislations were approved with the support of UNITER provided to Center UA, AntAc, CPSA and TI working as a part of Reanimation Package of Reforms;
- 9 UNITER partners engaged 119 partners in advocacy campaigns supported by UNITER;
- 67 public sectoral discussions were held on the issues of EU integration, transparency and accountability and rule of law;
- 4460 citizens were engaged in public discussions by UNITER partners.

### **Capacity Development:**

- Pact's partner organized the 2<sup>nd</sup> Ukrainian Capacity Development Forum with attendance of over together over 650 representatives of 230 organizations coming from non-profit, business, government, and education sectors;
- Following their NUPAS recommendations, Pact assisted with improving internal management structures and organized a series of advanced capacity development workshops to UNITER graduating partners on crucial topics such as new business development and logical framework;
- Pact assisted three think tanks in making their data open and available to the public. Pact has helped creating the data portals of the Democratic Initiatives Foundation, Center for Political and Legal Research and Institute for Economic Research
- Pact has conducted Gender Assessment of the three partners namely Center UA, Ukrainian Center for Political Research, Center UA. Pact has conducted individual workshops with each organization to design Organizational Gender Action Plan with each organization
- Pact has conducted the training on Gender Impact Assessment for advocacy organizations that focused on how CSOs can incorporate gender analysis in their advocacy campaigns. During the training participants reviewed the Gender Mainstreaming Checklist for legislative processes.

## **II Political Context**

### **Reforms Against All Odds**

Struggling with the major political and economic crisis, Ukraine is now involved in armed conflict with Russia-backed separatists in the country's Donbass region. With the goal to preserve the control over Ukraine and expand its global leadership, in March 2014 Russia annexed Crimea and immediately started a campaign to support radical groups in the East of Ukraine. Supplying the separatists with military, moral and propaganda support, Russia attempts to undermine Ukraine's sovereignty and divide the country further.

Fueled by Russia, the violence in the East poses serious challenges not only to Ukraine's internal politics and governance, but also in the greater international context. With Crimea's unlawful annexation and the violent separatism, the country found itself in the crux of a major geopolitical struggle between Russia and Western world, redrawing the architecture of the entire post-WWII global order. Triggered by Ukraine's desire for closer association with the EU, the Russian aggression challenges the EU, whose member states' maintain close economic interdependence with Russia.

The pretext to Russia's interference in Ukraine's domestic affairs culminated after large-scale protests during the winter known as the Euromaidan revolution. The Euromaidan revolution was Ukrainian citizens' reaction and outcry to the Yanukovich administration's decision in November 2013 to postpone signing of the EU Association Agreement at the EU's Vilnius Summit. The three month of peaceful protest marred by government violence against Ukrainian citizens ended with the president fleeing the country and citizens regaining governance over their state.

The significance of Russia's meddling in Ukraine however means that instead of rapid reforms towards closer EU integration, the conflict successfully deters energy, attention and resources of the newly formed interim government and the new President to managing the unfolding military, economic and humanitarian crises of the country's East.

In such context, although Ukraine at last signed and ratified the EU Association Agreement, both Ukraine and the EU had to give in to the Russian pressure – as part of a fragile peace-deal – to postpone implementation of the Deep and Comprehensive Free Trade (DCFTA) part of the agreement until after January 1, 2016.

What one hopes that this postponement could in fact be a catalyzer of Ukraine's swifter approximation to the EU's stringent trading standards may become just an illusion. The present conditions whereby the EU removed tariff barriers for Ukraine's imports giving way to Ukraine's early implementation of the DCFTA are already at jeopardy from continued Russian bullying. Russia continues to demand re-visiting the whole of the DCFTA – a third-party demand, which is unprecedented in the history of the EU's bilateral relations with any country. Russia recurrently threatens Ukraine with import sanctions as well as revolve Ukraine and the entire European space with its main weapon of gas supplies.

Domestically, the fighting in the East shed new light on both on Ukraine's apparent ideological struggles and latent internal conflicts that were boiling under the surface over the years. The support of regional elites and oligarchs of pro-Russian radical groups became critical for the conflict that burst out in Donetsk and Luhansk oblasts. For years, politicians abused regional differences around key issues such as languages, religion, and geopolitical choices for their political campaigning and benefits. The failure of the national government to properly address the language issue and recognize the need to communicate the outcome of Euromaidan also contributed to the citizens' initial support of the separatist movement.

While propaganda and politicians enforce the messages that divide the society, the citizens of the East and South of Ukraine share similar priorities for Ukraine's development as Euromaidan supporters. The Euromaidan revolution underscored Ukrainians desire for better economic opportunities and greater accountability of the government, no matter where they live. Yet, as the demand for reforms increases, the armed conflict takes away resources and attention from reform process. Postponing further reform presents perhaps an even greater threat for Ukraine's existence than Russia invasion. With over half year after Yanukovich fled the country, little progress is made in key reforms areas.

The civil society groups like Reanimation Package of Reforms are celebrating the approval of the legislation that increase transparency of the public procurement, introduce lustration of the government, and establish public broadcasting. Yet there are many other policy areas that are

often delayed because of the lack of votes in the parliament or different personal interests that are delaying the process. Ukraine's reforms process so far crawling in comparison with the Georgia, a role model for quick reforms in the region that introduced the significant legislation changes quickly after the Rose Revolution.<sup>1</sup>

Those pieces of legislations that were approved by parliament were forced by civil society or international donors' conditionality. Further reforms for democratic governance and economy are in discussion where various platforms for coordination created within the government without any significant progress. The current challenges that urgently need to be addressed by the government include:

- **Economic disaster:** While not recovered fully after the effects of the global recession of 2008, Ukraine's resources were depleted by the Yanukovych-government's mismanagement and large-scale corruption. Presently, the increased spending on the army and the economic and humanitarian consequences of the violent conflict, coupled with the minimized trade with Russia, which normally was Ukraine's main export partner, put additional pressure on Ukraine's economy. The economic volatility and the general political instability keeps the country on the edge of economic collapse. While IMF loan has helped to avoid the collapse for the time being, the domestic situation and the international economic environment paints a bleak picture on Ukraine's future economic viability and leave little room for maneuvering towards fundamental structural reforms.
- **Weak state and governance:** The state fails to provide basic services to the citizens including adequate security, public health or education. The conflict in the East is a case in point; however these problems affect the whole of the nation. The state has failed in providing army with adequate equipment and food, ensure delivery of services to IDPs and provide proper medical services to the injured. As liberated territories require greater investment in reconstruction, it would be critical to provide close monitoring and effective usage of resources. Although civil society and volunteer movements continue to gain their strength, there is still a strong need to bolster the effectiveness of government institutions to provide basic services, control and redistribution of resources.
- **Communication challenge:** The Euromaidan protests demonstrated that Ukrainians want to break with past tradition of closed-door politics, rampant corruption. Ukrainians demand greater accountability and direct say in policy decisions. They view the main results of the Euromaidan revolution in the smooth and seamless European integration, however little do they know of the hard realities the country's political economy suggest. During the continued political and economic crisis, any government will inevitably make unpopular decisions that have to be not only explained clearly to those who will be affected but keep them engaged to ensure their continued political support. Regrettably, the lack of clear communication from the government together with other issues in governance and fueled by unbalanced media reporting and Russian propaganda contributes to further uncertainty and undermines government efficiency.

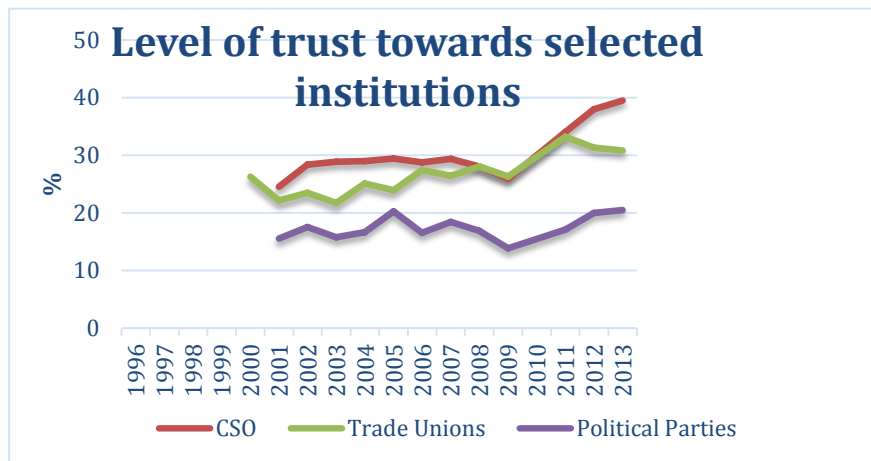
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<sup>1</sup> <http://www.atlanticcouncil.org/blogs/new-atlanticist/ukraine-s-new-president-must-begin-reforms-immediately>

To address these major challenges there is a need to implement immediate reforms in areas such as anti-corruption, judicial reform, reform of public administration, decentralization, and key economic measures that help optimize budget spending and open opportunities for investments. With the window of opportunity created after the Euromaidan, many have hoped that the newly appointed government will move faster with these priorities. As civil society continues to be the main driver for change, seeing the slow progress on these key reform areas and understanding their own political limitations as purely civil society activists influenced many civil society players to moving into politics and running for seats in the upcoming snap parliamentary elections. Running on tickets of a variety of parties, they hope with this move to become a stronger advocate for citizens' interest and change the system from inside.

Inspired by the increased influence on policy process from within the system civil society leaders create an additional challenge for NGOs and donors. The civil society platforms, like CHESNO or Reanimation Package of Reforms, became springboards and main communication venues for these leaders, who were often invited on the national TV channels, spoke at public forums and presented initiatives for international community. Gaining their social capital and thus becoming attractive for political parties, activists' faces became the civil society brands. Campaigning now for parties, they left the non-partisan movements leaving these platforms without the leading speakers. In a short-term the NGOs have to re-brand themselves for the media making new leaders more visible and recognizable, establishing new networks and relationships. In the longer term civil society leaders will be challenged by making sure they deliver on their agenda that brought them to politics.

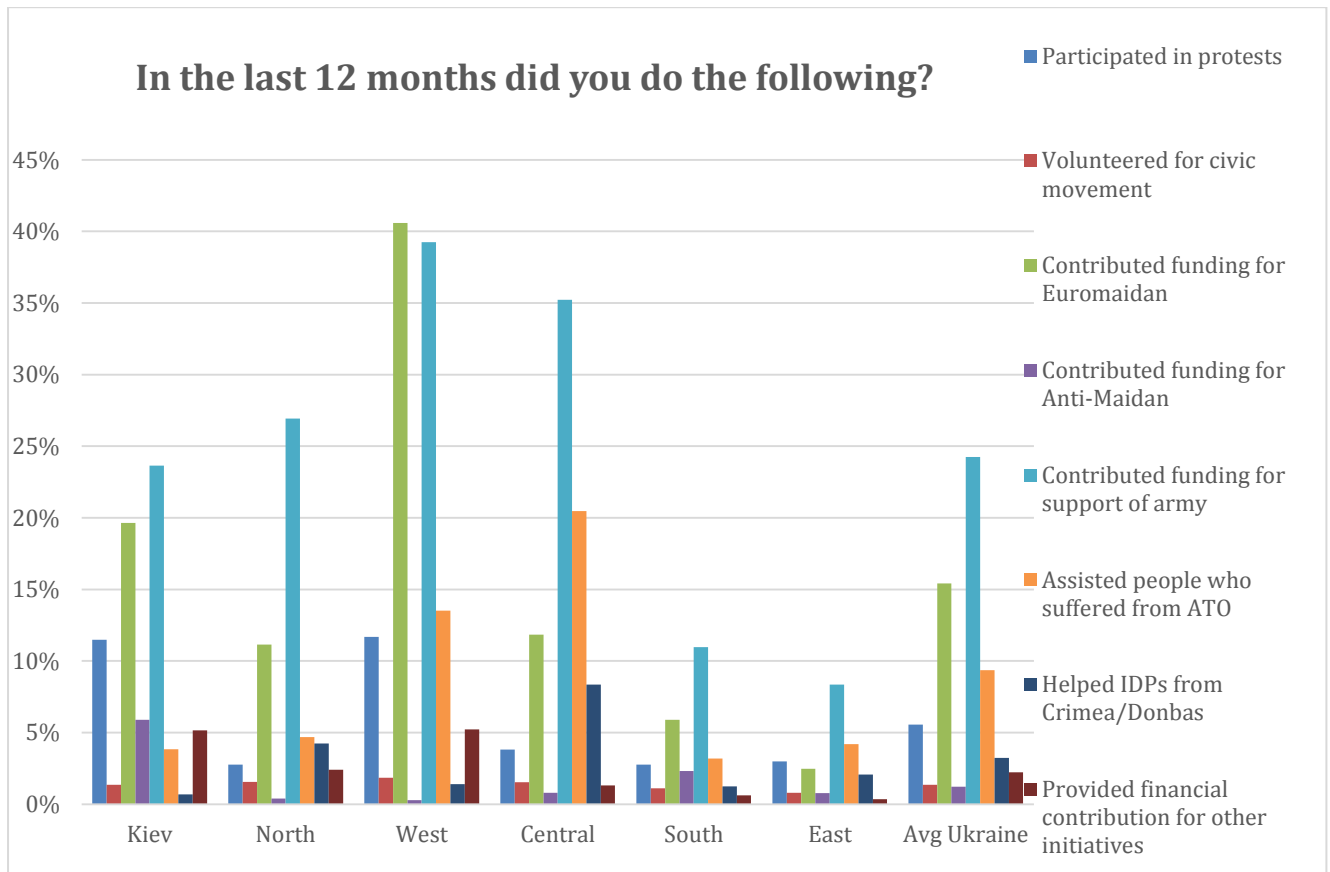
They will likely have to grapple with partisan intricacies and face that parliamentary parties have additional centers of power within their structures. The ability to push for agenda of lonely NGO warriors within a party may prove to be limited due to those with much greater influence, and the activists will have to remain loyal to the party position. The civic activists trying to form their own political forces could not find a compromise that satisfied all sides. Those who decided to go as independent political force like Syla Lyudey (People's Power) or Samopomich (Self-help) will most likely not pass the 5% threshold and thus will not be in the next parliament.<sup>2</sup> The inability of civil society to deliver while in the parliament may lead to the erosion of the present public trust and result in greater apathy about civic participation similar to what happened during 2008 and 2009 after disillusionment with Orange Revolution achievements.<sup>3</sup>



<sup>2</sup> IFES public opinion poll conducted during September 5-10, 2014

<sup>3</sup> The data comes from Razumkov Center studies on the level of trust to different institutions starting from 2000.

The current crisis has mobilized citizens around Ukraine to protest against injustice and prevalent corruption. Surveys show that around one-fifth of Ukrainians took part in protests<sup>4</sup> and over half of the population supported the Euromaidan movement.<sup>5</sup> As polling suggests, the readiness to protest has declined over years since 2004, thus the repeat of large-scale protest was unexpected to many observers<sup>6</sup>. Moreover, unlike in previous Maidan movement in 2004, the protests were not triggered by upcoming election or mobilization by the opposition, but by civil society activists without clear political leadership. Civic activists with the help of social media have initiated protests as a reaction to the political events. UNITER polling data shows the various engagement of citizens in civic activities related to Euromaidan protest and crisis in the East.



While civil society became even stronger as a result of Euromaidan, it does not represent equally citizens' interests. The key national reform networks has gained their influence and are now included in the policy process. However, experts' reforms agenda is more guided by international standards and practices rather than by real citizens' demand. In doing their policy research they have advanced in studying best international practices, but hardly can formulate a

<sup>4</sup> 17% of citizens reported that they took part in the protests in December <http://appu.kiev.ua/investigation/info/polls/500-opytuvanya.html> and 21% of citizens reported in March about their participation

[http://www.ukrinform.ua/ukr/news/cherез\\_maydan\\_proyshli\\_dva\\_milyoni\\_ukraintstiv\\_sotsiologi\\_1917292](http://www.ukrinform.ua/ukr/news/cherез_maydan_proyshli_dva_milyoni_ukraintstiv_sotsiologi_1917292)

<sup>5</sup> IRI poll in March

<http://www.iri.org/sites/default/files/2014%20April%205%20IRI%20Public%20Opinion%20Survey%20of%20Ukraine,%20March%2014-26.%202014.pdf>

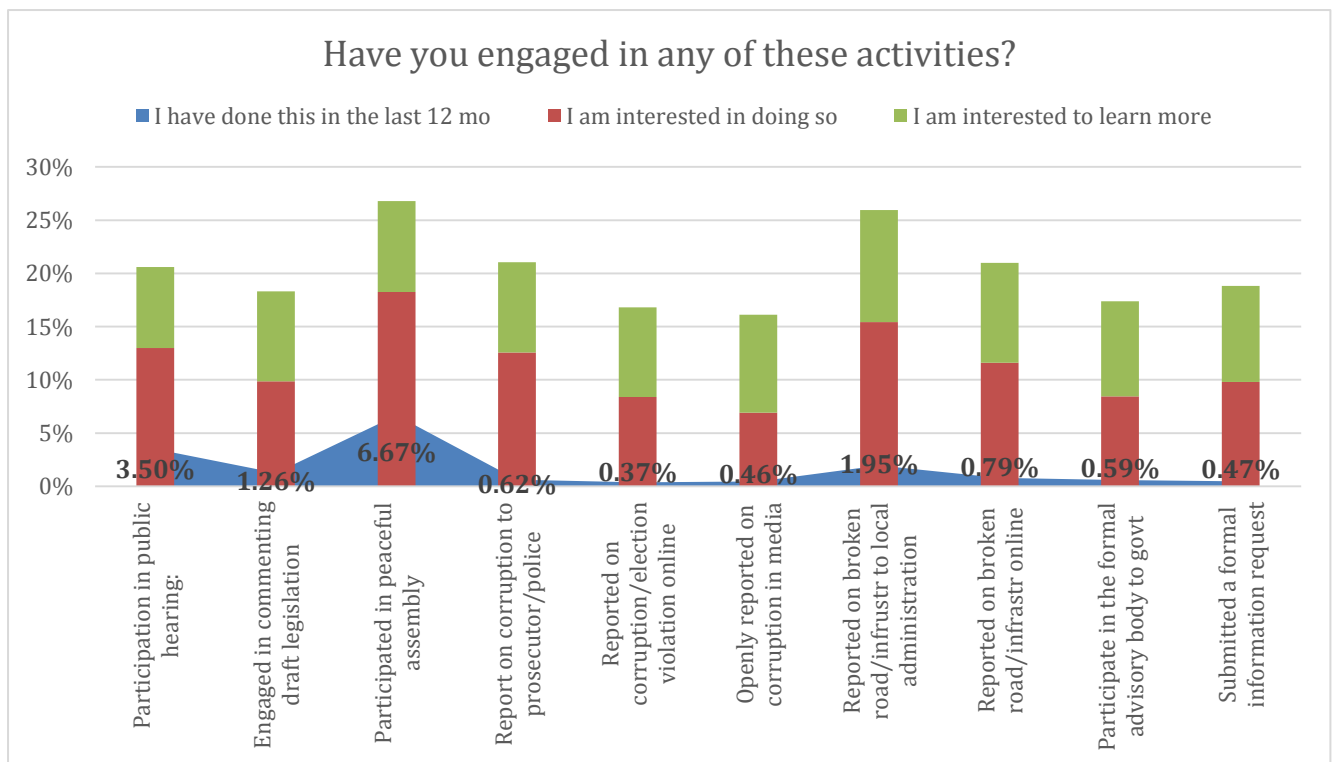
<sup>6</sup> KIIS has conducted the polling on the eve of first Euromaidan protests on November 9-20

<http://www.kiis.com.ua/?lang=ukr&cat=reports&id=214&page=1>

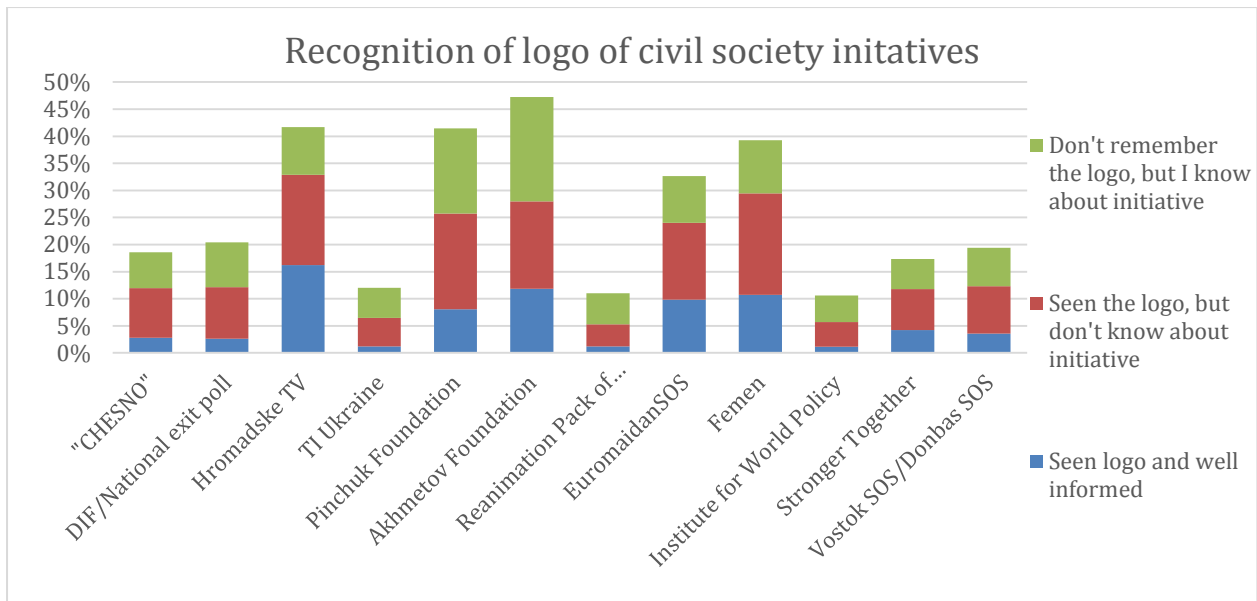


research questions for public opinion survey. Pact, as well as NGOs that conduct regular surveys for donors like DIF or Razumkov, provide opportunities to include questions in larger surveys but advocacy organizations on national level rarely use it. Very few initiatives like CHESNO or campaign for access to public information were trying to utilize this tool and measure themselves against the impact they make on beneficiaries.

CSOs have consistently shown increased level of public trust and awareness of their activities, but they fail to increase participation of the citizens in their activities or increase usage of the participation mechanisms that they advocate for. The chart below summarizes the actual participation in different type of events usually organized by NGOs, which varies from less than 1% to 7%. At the same time there is reported interest in taking part in these activities and learning more about them, which is underutilized by NGOs.



The failure of the networks to properly address citizens' needs and engage them in this process undermines legitimacy of these NGOs and contributes to further elitist development. While many reforms require the legislation changes and start with the legislative processes in the Parliament, for implementation it is critical to engage those who are effected with this changes. As national networks learned in the last years on how to influence the decision-making in the Parliament, their ability to engage grassroots is still needs to be strengthened. Euromaidan and large scale protests have provided an opportunity for NGOs to gain their connection with active citizenry, but more work is yet to be done. National networks will require clear strategies how they are going to educate, engaged and mobilize citizens to change their behavior and actively support critical reforms that are necessary for a striving Ukraine.



The data shows that those who are actively engaged in promotion and servicing of people manage to reach a recognition of their brand and logos. Hromadske TV that is viewed by over 1 million viewers has been able to reach similar recognition levels as Pinchuk and Akhmetov Foundation that spend large amounts of funding on PR of their activities. At the same time Euromaidan SOS that served protesters at Maidan and only promoted itself on Facebook has also wide recognition.

### III UNITER major achievements

The mass protests, political crisis and armed conflict have influenced the implementation of the program. Key UNITER advocacy partners were engaged in Euromaidan protests in different capacities providing civic education, volunteer support, legal consultation, and other emergency response. Many of their initiatives were also undermined with the legislation approved on January 16th that limited rights and freedoms. Under the laws that were cancelled in February, the severe restrictions would be put on NGOs operations and international donor funding. Some of UNITER partners, like Center UA and UCIPR had been under investigation with the fabricated cases aimed to limit their public activism. With the regime change, the window of opportunities has opened for promoting the critical reforms for accountability and transparency, but at the same time, the external environment has presented a new challenge for NGOs. Both civil society and government focus has shifted on the emergency issues like counteraction against Russian propaganda and Russian aggression in Crimea and East, annexation of Crimea and armed conflict in the east, and dealing with IDPs.



Since the first days of Euromaidan key UNITER partners like Center UA and Institute for World Politics (IWP) and Ukrainian Center for Political Research (UCIPR) were engaged in events. Center UA were managing the Euromaidan social networks including Facebook page of

Euromaidan that has over 300,000 followers. Both Center UA and IWP were engaged in civic education raising awareness of the protesters on the benefits of the association agreement contributing to the issue-based public debates. Members of UCIPR have conducted the public lectures at the Open University of Maidan on how to create an NGO and role of NGOs in civil society.

With the fled of Yanukovich, leading advocacy organizations have united in the platform named a Reanimation Package of Reforms (RPR). Originated from the New Citizen partnership, RPR aims to refocus the protest energy of the citizens in the constructive dialogue on emergency steps that needs to be taken with the regime change. Engaging over 150 experts in thematic working groups enhanced by the coordination councils' active advocacy and media campaigning, RPR has become the leading driver for reforms. The RPR has also initiated the creation of Intrafraction Parliamentary group "Platform for Reforms" and built a strong connection with the government's Center for Reforms Coordination and the Council for Reforms in Presidential administration. RPR has advocated for the adoption of 12 critical legislations in the spheres of greater transparency and accountability, media and information freedom, EU integration and education. Each working group has designed the Reform Roadmap that they plan to discuss widely with political parties while they are campaigning for pre-term Parliamentary election planned for October 26, 2014. The RPR plans to get a public commitment of parties to implement these reforms and further monitor their work in the after-election period.

Additionally, Pact has supported anti-corruption organizations working closely to promote the policy changes that ensure greater transparency of public procurement, transparency of political finances, creating greater demand and awareness of the corruption. Anticorruption Action Center (AntAc), Center for Political Studies and Analytics (CPSA), Transparency International and Case Ukraine are working closely to promote reforms to combat corruption in different aspects of the reform. The anti-corruption coalition working closely with RPR advocated for the approval of the laws that amended Law on Public Procurement. The approved legislation obliges the state enterprises to disclose information about their procurement, reduced the number of exceptions to the tender legislation and discloses information about subcontractors. CASE Ukraine aims to raise the demand for greater transparency by raising citizens' awareness on the amount each person contributes to the budget. To reach this goal an organization has developed an online calculator called "[Price of the State](#)", which visualizes and explains budgeting and taxation processes in an easy way. The web site had 50,000 previews in the first months, and CASE Ukraine plans to spread this information further. To further attract the attention to its product organization plans to make a sector specific analysis of the budget and how the budget is spent in each sector.

With the fled of the Yanukovich the pre-term Presidential election were scheduled for May 25<sup>th</sup>, 2014. Conducted during the military conflict and under the threat of the full-scale war with Russia, the election was characterized by high voter turnout and in line with international commitments. Pact has supported two projects that were aiming to promote civic education of voters and transparency of electoral process. Hromadske.TV has produced a series about the presidential candidates that in humorous manner discussed the electoral campaign. The format attracted attention of many young voters on youtube with the preview of each video from 150,000 to 300,000 and also on Pershyi TV channel. Pact has also supported the National Exit Poll, a national survey on the polling stations that provides validation for the results of election.

The results of the National Exit Poll is widely cited on election day in evening news review reaching millions of voters interested in the results of election.

As the political crisis has unfolded the operation environment for NGOs has dramatically changed. With the Euromaidan protests and the “Dictatorship” laws of the January 16, the work of the activists was in danger. One vote in the Parliament could have undermined all the achievements of the previous work of the UCIPR on the NGO law. The criminal case against organizations and activists, physical kidnapping and threats against activists are all documented by human rights organizations. However, with the regime change civil society experience much more freedom in their operations. While the Council for Development of Civil Society formed under Yanukovich administration ceased to exist, the current political environment allows greater NGOs’ engagement in the policy process. Through RPR and formal advisory bodies NGOs are now engaged in the process and UCIPR continue to be a leader of such initiatives.

In the summer of 2014, Pact has celebrated the official graduation of two of its long-term partners to the direct funding of USAID. Working closely with UCIPR and ISAR over years Pact has helped them strengthening their internal systems to be able to manage direct funding. Both organizations have gone through NUPAS assessment international audit. In FY14, Pact worked with both partners on implementation of the Graduation Roadmap that aimed to strengthen organizations’ technical, organizational, adaptive capacity and capacity to influence. In addition to individual coaching, Pact has directly provided technical assistance in proposal development, log-frame training and monitoring and evaluation. Pact has also provided coaching on change management to ensure that all developed procedures will be implemented in organization. With signing of the direct awards, UCIPR and ISAR together with Pact will be now co-implementers of the Civic Oversight Project, working closely together to achieve joint goals.

### **III. ACTIVITIES DESCRIPTION**

#### **Objective 1: NGOs better represent citizen interests and drive reform through more effective advocacy, monitoring and activism.**

Under Objective 1, Pact has supported horizontal advocacy platforms and advocacy organizations to mobilize the demand side of political reforms. Pact supported partners promoted greater transparency and accountability, EU values and standards and increased civic education during pre-term Presidential election.

#### **Activity 1a: Sub-grants to support horizontal advocacy platforms that address critical issues for democratic reform of Ukraine**

##### ***1. European values and standards (including human rights and inclusiveness)***

The protests that started as a reaction to the refusal of President Yanukovich to sign and Association Agreement with EU, showed the growing support for the European integration among Ukrainian citizens. Demanding greater justice, transparency and accountability, protesters associated European integration with these basic values. The dramatic events of the Euromaidan resulted in change of



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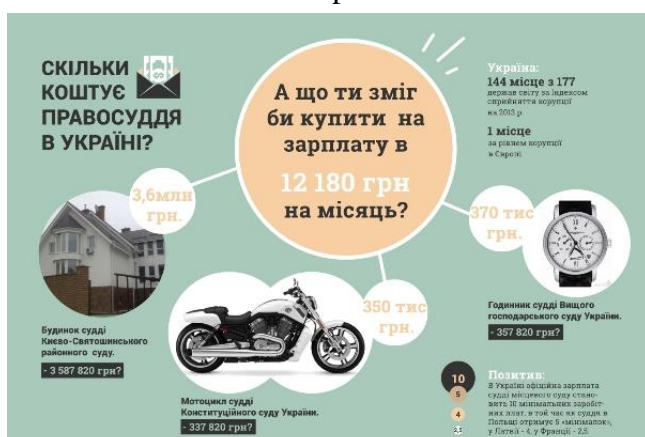
government and final signing and ratification of the Association Agreement in Ukrainian and European Parliaments.

Systematic activities of UNITER long-term partner **NGO Center UA** on forming demand for high quality politics, advancing freedom of speech, access to public information, as well as promotion of European standards on different levels, have greatly influenced the demand for EU integration. The NGO supported by multiple donors including Pact/UNITER, SIDA, MATRA and IRF, has actively addressed the critical issues of democratic reforms in Ukraine and has played a crucial role in mobilizing the national movement for democratic and European values. The organization remained in its key role of a hub for civil society platforms. During the protests, it has managed Euromaidan [Facebook page](#), which has reached over 300,000 subscribers now.



Initiating a public discussion on how to successfully implement the Association Agreement with the European Union has been among the goals of Center UA since the political part of the Association was signed in March 2014. The organization raised the importance of signing the Agreement on [Espresso.TV](#), [Focus.UA](#), [Hromadske.TV](#), [Radio Svoboda](#), and many other national and local media channels. Articles and infographics have been published on [Texty.org.ua](#), [Focus.UA](#), [ECHOMSK](#), [European Pravda](#), [Ukrainian Pravda](#), [KyivPost](#), just to name a few. Pact has provided original support for the design of the concept of this campaign and covered communication component of the program.

**Institute of World Policy (IWP)** promoted EU integration for Ukraine through public campaign and analytical work. Through public events and an awareness raising campaign, IWP contributed to the massive efforts of Ukrainian civil society to promote reforms in Ukraine. Together with Center for Political and Legal Reforms (CPLR) and Transparency International Ukraine, IWP conducted a regional event [“Successful Ukraine: Where to Start?”](#) in Dnipropetrovsk. The activity involved high-level diplomats, such as Volodymyr Ohryzko, the Minister of Foreign Affairs of Ukraine in 2007 – 2009; Alain Remy, the Ambassador of France in Ukraine; and Aigner Johannes, Deputy Head of Mission at the Austrian Embassy. The attracted regional experts, media and ordinary citizens to discuss the practical aspects of the EU integration, the ways to solve such problems as corruption, and the aspects of the judicial reform that need to be improved.



Within the framework of its “New European Policy” project, IWP initiated public discussions in the regions, involving opinion-makers and diplomats from the EU member states, as well as high-level officials, experts and representatives of civil society. All public events within the project were covered in prominent regional, national, and international media. IWP experts also published a series of articles in Ukrainian and international media, and released infographics on the key points for reform of judicial system, law enforcement

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authorities and public prosecutor's office. Moreover, before the presidential election in May 2014, IWP conducted the research [“European President”](#), which analyzed the political activity of the presidential candidates in the light of demands of European integration and the new threats faced by the Ukrainian society.

Together with Ministry of Foreign Affairs of Ukraine, IWP has organized an International Conference “The New European Policy: from Words to Actions”. The conference hosted the acting Minister of Foreign Affairs Andriy Deschysia, Head of EU Delegation to Ukraine Ian Tombinsky and other representatives of EU Embassies, think tanks and Ukrainian government discussing the challenges of implementation of the Association Agreement. The conference has launched a public debate on how Ukraine could keep up with the reforms needed for implementation of Association Agreement, what steps the country needs to introduce the visa-free regime and how to resist Russia's interference and annexation of Crimea.



IWP has also hosted 20 leading representatives of European think-tanks in Kyiv. During May 14-16, the experts had an opportunity to obtain firsthand information about situation in Ukraine from the civil society, representatives of government, regional analysts and churches. The event aimed to support and widen a network of analytics that are writing about events in Ukraine with the objective information that is not distorted by propaganda or media. The participants included Michael Emerson from Centre for European Policy Studies, Brussels, Gerald Knaus, European Stability Initiative, Vienna, Ivan Krastev, Centre for Liberal Strategies, Sofia, Nicu Popescu, EU Institute for Security Studies, EUISS, Paris, Andrew Wilson, European Council on Foreign Relations, London and others.



#### Reanimation Package of Reforms (RRP)

The New Citizen partnership along with the Civic Sector of Euromain has initiated ***Reanimation Package of Reforms (RPR)*** at the end of February 2014. The initiative gathered many Pact's partners including Center UA, Transparency International Ukraine, Anti-Corruption Action Center and many other non-governmental organizations, activists,

experts and business professionals. Meant to re-focus citizens protest energy in the constructive process, RPR has become a leading advocacy initiative for comprehensive reform legislation in most urgent areas. More than 200 experts and activists from over 50 NGOs united their efforts to work on the RRP under the coordination of Centre UA. The RRP includes experts working on electoral legislation reform, anti-corruption reform, decentralization and regional development, judicial reform, public administration reform, reform of law enforcement agencies, and tax reform. This reform package goes in line with the European reforms required for the Association Agreement.



Pact has supported Center UA efforts in providing coordination and communication for RPR. RPR members has received additional support from other donors in developing law drafts. Among the main achievements of the RRP are the following bills, which have already approved by Verkhovna Rada:

- Law #2207 On Amending the Law of Ukraine "On Public Procurement" (to strengthen the transparency of procurement of companies): the law opens the information about the procurement made by state enterprises. It obliges the state enterprises to disclose information about the subjects of their purchases, the sellers, and the cost of the procurement;
- Law #4587 on Public Procurement: the Law removes the key corruption risks in procurement tenders and reduces the number of exceptions to the tender legislation by four times. The Law prohibits the participants associated with the members of tender committees to partake in procurement. The Law also commits to disclose information about subcontractors and report on purchases made at their own expense;
- Law #0947 On Amending Certain Legislative Acts of Ukraine due to the Adoption of the Law of Ukraine "On Information" (as Amended) and the Law of Ukraine "On Access to Public Information": the Law increases the transparency of the government, state and municipal enterprises, and monopoly companies, and increases their accountability to citizens;
- Law #1076 On Public Television and Radio Broadcasting of Ukraine: the Law creates a legal framework for Public Television and Radio Broadcasting of Ukraine and defines the principles of the National Public Television and Radio Company of Ukraine;
- Law #4556 On Amending Certain Legislative Acts of Ukraine in the Sphere of State Anti-Corruption Policy due to the Plan of Action for the Liberalization of the EU Visa Regime for Ukraine: the Law introduces a number of amendments to laws and regulations to implement the recommendations of the European Commission on improvement of the anti-corruption legislation provisions defined in the Roadmap for EU visa-free regime for Ukraine;
- Law #4585 On Standardization: the Law establishes the legal and organizational basis for standardization in Ukraine and aims to ensure the formation and implementation of public policy in this area. The law provides the basic principles for the development of national standards, codes of established practice, and its amendments;
- Law #4583 On Metrology and Metrological Activities: The law provides for delineation of regulatory, supervisory and administrative functions in the field of metrology, extension of accreditation mechanisms, harmonization of legislation with the documents of the International Organization of Legal Metrology. The document proposes to introduce administrative responsibility for violation of the terms and conditions of calibration of measuring instruments and measurement, and to clarify the definition of "certificate of conformity". Both the law #4585 and #4583 are critical for further trade with European Union;
- Law #4756 On Cooperation of Local Communities: the Law provides conditions for the establishment of institutional and legal framework of cooperation of local communities;
- Law #1187-2 On Higher Education: the law grants greater autonomy to higher education establishments;
- Law #4179a On Amending Certain Legislative Acts of Ukraine on Food: The Law clarifies the terminology, types of offenses and the adequacy of penalties, creates a

single supervisory authority in the field of food safety, and cancels the permits and procedures that are absent in the EU.

The thematic workgroups provide the reforms roadmap for each area and the central Coordination Council of RPR works on advocacy and communication strategy for promoting agenda of each group. Reanimation Package of Reforms united 26 MPs from five parliamentary groups in Inter-Faction Parliamentary Group “Platform of Reforms” that cooperates with the RPR activists and helps to advance the legislation in the Parliament. Together with the governmental officials, RPR activists created Reform Support Centre at the Cabinet of Ministers of Ukraine. Moreover, they also launched the process of establishing a special committee for cooperation between RPR and President’s Administration. RPR activists design roadmaps for the Parliament, the Cabinet of Ministers, and the President, and cooperate in different ways in order to implement the solutions.



The activists are also ensuring proper implementation of the adopted laws, such as the Law “On Restoring Confidence in the Judicial System”. The activists successfully blocked a number of illegal assemblies of the representatives of judicial system, who were trying to circumvent the new reform law, and ensured control over the re-election of judicial leaders to prevent judges with tarnished reputation from returning to power.

RPR conducted more than 20 rallies and direct action events, both to support legislative changes and to monitor the implementation of the reforms. Public pressure campaign and active involvement of press not only helped achieve the adoption of new solutions, but also assisted in preventing the adoption of disadvantageous decisions by authorities. For instance, after the activists organized the campaign “Puppeteer of judicial system”, the Parliament successfully rejected the law on judicial system developed by Yanukovich’s team.



Despite the fact that promoting the reforms was unusually difficult, as the entire news environment was filled with reports on the turmoil in the East of Ukraine, in just four months, RPR became one of the most influential, popular and efficient civic platforms in the country. RPR activities are regularly covered on [Hromadske.TV](#), [Ukrainian Pravda](#), [Texty.org.ua](#), [112UA](#), [Espresso.TV](#), [First National TV Channel](#) and many other national and local media outlets. Moreover, RPR has conducted 11 regional public presentations of the initiative in 11 Ukrainian cities, which helped to form a database of regional activists and supporters of nearly 1,000 people. The events attracted more than 500 individuals and engaged 74 local NGOs. RPR [Facebook](#) page now has over 16,400 followers.

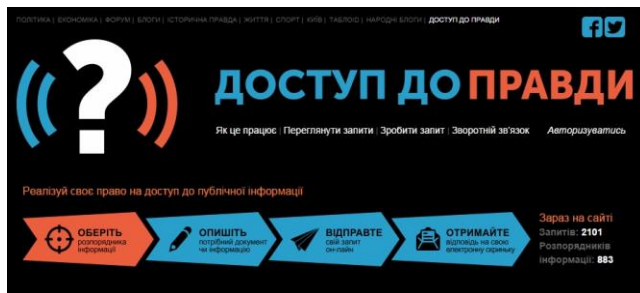


RPR institutionalized Euromaidan demands and appeared to be an efficient post-revolution activity that builds further support for the EU integration processes in the country and informs Ukrainian citizens of the benefits of the European vector of development. RPR plans to further engage with the parties before and after October pre-term election. RPR will continue cooperate with the Presidential administration and government's center for reform.

## ***2. Increasing transparency (including public procurement and government spending)***

### **Access to Public Information:**

In March 2014, using an innovative approach to the popularization of the issue of freedom of information, Center UA launched an innovative web-site “[Access to Truth](#)”, involving leading Ukrainian journalists to the presentations and discussions. “Access to Truth” is a website which simplifies the process of making a freedom of information request and thus increases the number of citizens who use the law “On Access to Public Information”, adopted due to the



advocacy efforts led by Center UA, and makes authorities more transparent and accountable. The platform received a lot of [attention in media](#) and raised the awareness of ordinary citizens about the freedom of information. Since the launch of the website, over 4,000 users have registered and sent more than 2,000 “requests of truth”.

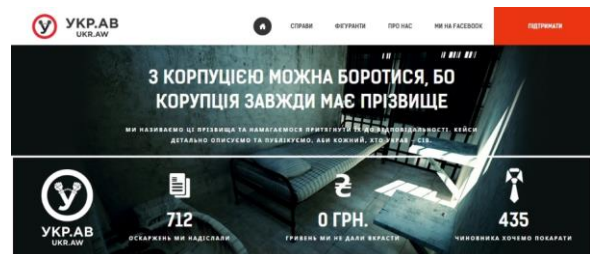
“Free access” documentary movie collection continue to be not only a story of Ukrainian citizens’ fight for their right for access to public information, but also an informational channel for foreigners in the context of discussing Ukrainian problems. In March – April 2014, the almanac was presented at one of the biggest world’s film festival ONE WORLD (Prague, Czech Republic). Also, with the festival team’s support, a discussion was organized at European Parliament (Brussels, Belgium) involving the prominent Ukrainian journalist Mustafa Nayem.

### **RFA for anti-corruption activities**

Pact issued a call for applications with the goal to support civil society initiatives that strengthen sectoral networks aimed to increase public accountability and transparency. In early April 2014, Pact awarded with grants four NGOs, namely Anti-corruption Action Centre (AntAC), Center for Political Studies and Analysis (CPSA), CASE Ukraine, and Transparency International Ukraine.

**Anti-Corruption Action Centre (AntAC)** advocated for legislative changes required to increase transparency of public procurement, real estate ownership, and anti-corruption investigations, as well as focused on stolen assets recovery. The key achievements of the AntAc include:

- Advocated for adoption of the law #4587 (April 10, 2014), which closes key corruption loopholes in public procurement. Developed in cooperation with investigative journalists and anti-corruption NGOs, the law increases transparency in management of public funds, particularly state owned



enterprises. It also increases accountability of these companies before Ukrainian taxpayers;

- design and development of a beta version of the website [UKR.AW](#) (the Ukrainian word “ukrav” means “stole”), which will accumulate all the cases of corrupt public procurement;
- [identification and neutralization of a corrupt bill](#) in the sphere of confiscation of property;
- release infographic on frozen assets; the material was published in Ukraine’s leading English-language newspaper [KyivPost](#), and the issue of asset recovery was widely discussed in the media, including such influential news outlets as [Espresso.TV](#), [Hromadske.TV](#), [5 TV Channel](#), and [National TV Channel 1+1](#).

In addition, the NGO focused on the following activities:

- advocacy campaign for the bill [#3378](#) (“On the Public Registry of Real Estate Owners”), which would make information about all owners of Ukrainian real estate available online in just two clicks. Unfortunately, the bill was not adopted;
- advocacy of the [bill #4728](#), which aims at creating an open registry of owners of real estate; the bill received positive verdict from the responsible Verkhovna Rada committee, but has not been included to the parliamentary agenda yet;
- advocacy campaign for the public register of beneficial owners;
- advocacy campaign for the launch of the National Bureau of Anti-Corruption Investigations (bills [#4780](#) and [#5085](#).) The bills were included in the priority list of the Reanimation Package of Reforms and supported by Verkhovna Rada Committee on Fighting Organized Crime and Corruption. On September 16, the Parliament declined both bills. However, the Parliament might reconsider the bill [#5085](#) on October 14, and is expected to vote on a new bill developed by the responsible Verkhovna Rada committee, which arguably integrates the benefits of the bill [#4780](#) and its alternative [#4780-1](#);
- Communication with General Prosecutor Office on assets recovery and investigations of grand corruption cases;
- Facilitation of lustration of officials of law enforcement and controlling agencies based on the AntAC’s [database](#).



**NGO Center for Political Studies and Analysis (CPSA)**, supported by UNITER, has worked to address the society’s need for systematic, argumentative analysis of the transparency of the use of public resources, as well as to establish a strict system of control over the procurement made by local government. CPSA developed a new methodology for monitoring of public procurement in accordance with the recent amendments to the public procurement law, which have eliminated a number of legislative loopholes.

As a result of the monitoring, CPSA experts and their partners recorded 19 violations in public procurement and identified the following major corruption schemes:

- lack of budget funding of Kyiv, resulting in the failure of local trading.
- purchase of goods and services at inflated prices;
- political corruption, i.e. contracts are signed with representatives of the ruling parties;
- artificial monopoly on the local level.

In addition, the experts detected [corruption in the judiciary branch](#).

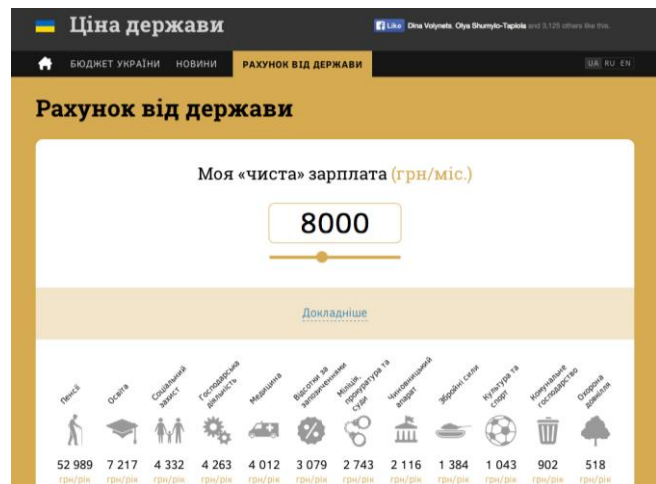


The organization also worked on the transparency of public finance conducting a [national survey](#) and presented the results at a press conference in Kyiv. The aim of the survey was to determine the hierarchy of problems related to financing political parties and election campaigns in Ukraine, as well as to identify their practical solutions. Based on the results of the survey, CPSA prepared the [Roadmap for Reform](#) on transparency of political party funding for governmental officials and experts. The document describes the interaction between various stakeholders that should be involved in the process of reforming the political party and election campaign funding system in Ukraine, as well as offers specific recommendations.



Through training sessions on monitoring of public procurement and transparency of party funding in Donetsk, Mykolaiv, Khmelnytsky and Chernihiv regions, CPSA strengthened a network of civic activists and journalists, who are able to monitor public procurement on a professional level.

**CASE Ukraine** implemented a project that is a part of a larger donor-funded initiative, in order to boost financial literacy in Ukraine and increase public awareness on how state budget is spent. Pact supported the development of the website [“Price of the State”](#), which visualizes and explains budgeting and taxation processes in an understandable way. The website serves as an important education and awareness-raising instrument, as the majority of Ukrainians lack knowledge on how many taxes they actually pay and how these taxes are spent. This decreases public expectations regarding services provided by the government and demotivates citizens from getting involved in controlling public funds. Moreover, the instrument helps strengthen the capacity of NGOs and other stakeholders to serve as checks and balances on the government. Since August 20, 2014, the website received more than 50,000 original visitors and was covered



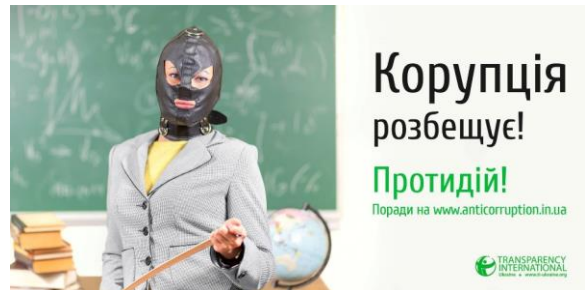


by such media channels, as [UNIAN](#), [Espresso.TV](#), [ZN.UA](#), [Capital.UA](#), and [Komsomolskaya Pravda](#).

**Transparency International Ukraine**, through various tools, raised public awareness of the negative influence of corruption on people's lives and initiated a wide discussion of the means of citizens' influence on corruption within the society. The NGO worked to form a stable community of civic anti-corruption activists that are able to implement effective anti-corruption practices and coordinate their pressure on public authorities in the issues of acceleration of key anti-corruption reforms. The highlights of TI-Ukraine work within the reporting period include:



- In April 2014, TI-Ukraine launched the “Corruption Kills” campaign. The launch of the campaign generated significant media attention and was covered in 33 media releases, specifically in such outlets as [5 TV Channel](#), [Ukrainian Radio](#), [INTV](#), [Radio ERA](#)
- Together with its partners, the NGO has organized a number of public discussions regarding the Anti-Corruption Strategy of Ukraine (Anti-Corruption: [Practical Approaches](#); discussion of fighting [corruption in the private sector](#).)
- TI-Ukraine prepared and distributed two infographics, namely “Anti-Corruption Strategy 2014 – 2017. [What Has to Be Changed?](#)” and “Anti-Corruption Preventive Body. [How It Works](#).”
- The organization developed a [website](#) with 24 instructions on how to fight corruption, legal consultations, and map of anticorruption initiatives. So far, the instructions on fight against corruption have been viewed over 8,000 times.
- TI-Ukraine also conducted an awareness raising campaign. It placed over 200 billboards in Vinnytsia, Dnipropetrovsk, Kyiv, Donetsk, Luhansk, Zaporizhzhia, Kirovohrad, Lviv, Mykolaiv, Odesa and Kherson to attract public attention to the need of fighting corruption on an individual level. In addition, TI-Ukraine promulgated the video “Wake up! Corruption kills” and held the first anti-corruption webinar, thus raising a socially important topic and providing citizens with simple and effective anti-corruption patterns.



### **3. Presidential election platform**

After the President Viktor Yanukovich and his close supporters fled the country at the end of February, Parliament has appointed the new interim government. The pre-term presidential election was scheduled for May 25, 2014. After the revolutionary events and the rise of civic activism, the demand for fair and transparent election became unprecedentedly strong. In the framework of UNITER project, Pact supports civil society advocacy and monitoring during election period. The election activities aim to increase political accountability, ensure transparent electoral process, encourage civic activism and educate citizens to make an informed choice. Pact supported CSOs working on civic education of the voters to inform them

about candidate's programs during snap Presidential election. Pact also supported National Exit Poll that validated the results of the election.

### Hromadske.TV

Within the last year, the role of Hromadske.tv has become highly important in Ukraine. Hromadske.tv is the first successful civic initiative of creating independent media with transparent funding and accountability to the society. The channel has a strong and professional media team, good production basis and resources, as well as a potential for becoming a leading media platform. Founded in April 2013, the channel now has a daily audience of 800,000 – 1,000,000 viewers and website visitors.



Before pre-term presidential election, Hromadske.tv initiated a project aiming to encourage viewers to critically reflect on the events taking place in the country and to promote encourage voters to make conscious choice. To achieve these goals, Hromadske.tv engaged the famous Ukrainian TV character and journalist Roman Vintoniv, more known by his pseudonym Michael Shchur. Sarcastic and humorous videos on social political issues, the presidential

candidates and the newly elected President of Ukraine contributed to the development of critical thinking among the citizens of Ukraine regarding the political sphere. The project informed the viewers about the facts about politicians' behind-the-scenes life and details of their political past and thus helped the voters make a conscious choice of the new President of Ukraine. Each video on its Youtube channel has previews from 159 to 328 thousands viewers.

Hromadske.tv also launched regional studios in nine cities of Ukraine in the form of roundtable discussions moderated by the journalists and broadcasted online at Hromadske.tv. The roundtables involved nearly 140 local politicians, civic activists, journalists, opinion leaders, and decision makers. The participation of local government representatives ensured an open dialogue between the government, social sector and local citizens, leading to better understanding of the regional needs, on the one hand, and political policies and procedures, on the other. During the discussions, the pre-election issues in Ukraine were openly raised, enabling the viewers of Hromadske.tv to hear the voices from all parts of the country. Each episode reached approximately 15,000 viewers.



In the framework of the project, Hromadske.tv broadcasted their videos and programs on Pershyi National Channel (First National). While there is no exact statistics kept of the previews of the program on TV, [the rating of the Hromadske.TV](#) on the First National Chanel in May varied from 0.19 to 0.76 of population 18+.

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channel had 1,808,167 unique viewers of the online channel, where at least 5% of those had viewed at least one of the programs. Total outreach of this project is estimated around 450,000 viewers with total 12 issues of programs.

### National Exit Poll

In order to increase transparency of vote-counting process in the pre-term presidential elections by means of independent civic control, the leading Ukrainian think tank and long-standing UNITER partner **Democratic Initiatives Foundation (DIF)** conducted the [National Exit Poll](#). Pact has joined a larger donors coalition including IRF, Matra program, NED, and EU Delegation in supporting this initiative that is traditionally supported by multi-donor efforts. The nationwide non-partisan exit poll was held on the day of the election at 351 polling stations in four Ukrainian regions, namely West, Centre, East and South, and involved 17,516 respondents. The results of the poll were presented at two press conferences held on election day and one event held 10 days after the vote. They were also widely disseminated through DIF own electronic means and through numerous publications and mentions in mass media. On the election day alone, the National Exit Poll was mentioned in media 86 times, which testifies to the high-level reputation, trust and interest that it enjoys among general public. While there is no public data on the rating of all news reports, there are few figures that show overall great interest of the population to the preliminary results of election. For example, Shuster Live show reports 3.16% of population above 18 viewed the show on election night, which is significantly higher of the overall program ratings. Given that the DIF results were quoted by multiple media during news reports and popular political shows it is safe to assume that at least 15% of population above 18 received the message about campaign. Total outreach of this project is estimated at around 5,450,000 viewers with multiple issues of the results of the exit-poll.

### **Activity 1b: Provide technical assistance to advance the work of the national advocacy platforms**

#### ***1. Technical consultation to support strategy development and link to best practices in the region***

The importance of disclosure of the register of beneficial owners was among the key themes at the [First International Expert Conference on Stolen Assets Recovery](#) organized by AntAC and “Ukrayinska Pravda” on April 24. The conference brought together over 50 participants, including Ukrainian high rank officials from law enforcement and controlling agencies, representatives of foreign diplomatic delegations, members of influential international organizations engaged in curbing corruption and money laundering, and Ukrainian investigative journalists. By raising the issue of public register of beneficial owners at the international conference, AntAc launched political debate in Ukraine and abroad regarding the cases of money laundering which involved Ukrainian officials. The conference contributed to the establishment of cooperation between key stakeholders in Ukraine and abroad regarding the return of funds stolen by corrupt officials. The Conference also enabled AntAC to strengthen their contacts with the Prosecutor’s General Office and the Ministry of Justice of Ukraine.



#### ***2. Open Think Tanks initiative to assist think tanks’ communication and transparency***

To discuss best practices in communication and data visualization, Pact hosted a “community of practice” (COP) discussion with Ukrainian think tanks in January 2014<sup>7</sup>. The COP analyzed innovative Central European approaches to and international best practices in think tank communication and advocacy. The discussion focused on the successful examples of branding and communication, the expenses related to implementing similar initiatives, and the resources available for Ukrainian think tanks. International donors expressed their commitment to support think tanks in the latter’s aspirations to master the art of communication and increase their outreach and influence.

Pact also invited SocialBoost, a hackathon-inspired company that unites IT-companies, IT-activists and governments to make their data fully accessible, searchable and reusable, to work with selected Ukrainian think tanks. SocialBoost assisted [Democratic Initiatives Foundation \(DIF\)](#), [Center For Political And Legal Reforms \(CPLR\)](#) and [Institute For Economic And Political Consultations \(IER\)](#) in development of platforms for open data. Sophisticated, yet intuitive, the developed dataset management system, allows uploading, tagging, and categorizing datasets, as well as adding up to 3 visualization types simultaneously, including tables, graphs and maps. In the framework of Pact’s support SocialBoost has developed a system, trained think tanks representatives and produced users’ manual on how to use the system. In the future think tanks will have to upload their data to make the systems operational and popular for users. The SocialBoost also facilitated a session on how to make data more accessible engaging experts to think through of the possible application of their data for end users and considering what type of web and phone based applications could be designed based on their data.

### ***3. Promote evidence-based advocacy***

Pact has worked with its partners to strengthen their capacity on using the data in their advocacy. For this Pact has facilitated the partners input into strategic polling. Pact has hired a pollster to conduct a representative survey asking citizens about their awareness of the civic initiatives, their current engagement in the civil society and knowledge and attitude about particular issues. In this polling, Pact included the following issues:

- Awareness of the Law on Access to Public Information
- Attitude to the Public Broadcasting
- Open budget and participatory budgeting
- Parliamentary elections and attitude towards the candidates characteristics
- Awareness and participation in civic activities

The report on the results of the survey will be presented in October 2014.

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<sup>7</sup> The think tank COP is one of Pact’s capacity development methods aimed at assisting Ukrainian think tanks. The event was a part of the series of COPs, workshops and conferences that Pact hosted or co-organized in the earlier years, such as “Use of Information and Data for Enhanced Communication and Advocacy Workshop” in March, 2012; a workshop on research methods in February, 2013; “In Search of Its Voice” Think Tank Conference in March, 2013; Think Tank Conference Follow-Up COP in April, 2013; and International Audit-Readiness COP in July, 2013.



#### ***4. Gender Mainstreaming and Legislative Impact Assessment***

Pact has conducted the gender assessment on how the key partners of Pact are mainstreaming gender in its daily activities. As part of the assessment, Pact has conducted the survey of the staff of the partners based on the Gender Integration Framework developed by InterAction. The framework score all responses on four dimensions including political will, technical capacity, accountability, and organizational culture. The scores served as a basis for discussion with individual partner to design the strategy for improving the gender consideration in each organization. During individual workshops three organizations, namely ISAR Ednannia, UCIPR and Center UA, has designed individual strategies.

Additionally, Pact has conducted the training on the Legislative Gender Impact Analysis for its advocacy partners. Participants of the training learned about how to conduct the gender analysis during their advocacy campaigns, how to integrate gender analysis in monitoring of the implementation of legislations, how to account for specific audiences and ensure gender-sensitive messaging and how to analyze the legislation drafts on gender sensitivities.

During these workshops, Pact has adopted the gender analysis tool for further use in the program grants procedures. In the future Pact will incorporate gender analysis in its project proposal forms, monitoring of the grants and reporting on activities. The gender analysis tool will be used to track how supported advocacy campaigns are addressing the gender-issues. Additionally, Pact will introduce Legislative Gender Impact Analysis in advocacy campaigns supported in the framework of UNITER.

#### **Objective 2: The relevant framework for civil society approaches European standards**

In FY14, Pact supported UNITER graduating partner Ukrainian Center for Independent Political Research (UCIPR) in advocating and advancing the legislative framework for civil society. This included an award to the NGO and technical assistance identified as crucial for Ukraine's functioning and vibrant civil society.

##### ***1. Sub-award to UCIPR***

Under the project, UCIPR worked on improvement of legal and administrative environment for registration of NGOs, financial sustainability of NGOs through improved taxation regime and public financial support opportunities, and public participation in decision-making on the local level. Within the project, UCIPR continued its work on ensuring the implementation of the existing legislation for NGOs.

Within the project activities, UCIPR continued its work on ensuring the implementation of the existing legislation for NGOs.

##### **Ensuring proper implementation of the Cabinet's Decree #1049 on contest-based procedures for public financial support of NGOs and advocating Decree amendments**

UCIPR continued to support the implementation of the Cabinet's Decree #1049 "On the Approval of the Procedure for Contests of NGOs Projects Offered for Governmental Financial Support". After the adoption of the State Budget of Ukraine in January 2014, UCIPR provided consultations on implementation of the Cabinet's Decree #1049 to the State Agency for Youth and Sports. Through constant communication over phone and e-mail, UCIPR also provided consultations to representatives of regional state administrations in Odesa, Chernihiv,



Vinnytsya, Ivano-Frankivsk, Khmelnytsky and Lviv, at the same time monitoring the implementation of the Decree in these oblasts.

Based on the consultations, UCIPR developed new recommendations to improve the Decree #1049. If adopted the recommendations will allow the local executive bodies:

- to include the organizations of the disabled people as participants of the contests for state funding from local budgets (as of now, they are excluded);
- to adopt local-level regulations which will be based on the Decree #1049, but will also take into account the situation in the field.

UCIPR continued close collaboration on further amendments with the Secretariat of the Cabinet of Ministers (CMU), represented by Tetyana Andriychuk, the Head of Department of Communications and Public Relations of the Secretariat. CMU assigned the Ministry of Youth and Sport to improve Decree #1049 based on the suggested recommendations. UCIPR is working closely with the Ministry of Youth and Sport developing new amendments to the Decree # 1049.

In addition, UCIPR monitored the situation in public financial support for NGOs on the national and local levels. UCIPR prepared a report on the results of the regional-level monitoring, covering 24 regions of Ukraine and demonstrating the situation in 2013. The NGO studied the existing contest-based opportunities for public funding of NGOs in terms of the size of funding, the regulations on eligibility criteria, the priorities of funding, and transparency of the distribution of funding. UCIPR developed recommendations for public officials in charge of financial support to NGOs.

After peer review, the report will be published on UCIPR's website in October 2014. The summary of the conclusions of the monitoring looks as follows:

- The main source of finance to support NGOs on the regional level is targeted program to promote civil society (mentioned in 2013 in 14 out of 24 regions); new project competitions aimed at implementing the priorities of regional policy.
- Priorities of the contests cover a variety of sphere, ranging from analytical work to prevention of socially dangerous diseases. In most cases, there is a combination of the following priority areas: social services, environment, regional development, and establishing cooperation between the state and the society.
- The average amount of finance allocated to the supported projects is 20,000 UAH (nearly 2,500 USD in 2013).
- More organizations gained experience in budgeting, which may encourage an increase in support to NGOs due to the latters' growing reliability.
- At the same time, NGOs do not have a mechanism to reduce dependence on foreign donors; the resources allocated to the state contests are too scarce, especially given the complexity of the state treasury procedures.
- Correlation between the volume of competitive and non-competitive support to NGOs remains extremely negative. On the regional level, only 25% of the funds allocated to NGOs are distributed on a competitive basis.

#### Ensuring proper implementation of the Law “On Public Associations”

UCIPR supports implementation of the Law “On Public Associations” through raising awareness of the stakeholders. During the reporting period, UCIPR further expanded the [Q&A section](#) on its website, so that any interested organization, whether officially registered or not, could ask a question regarding the law. UCIPR also developed [step-by-step instructions](#) and [templates of the documents](#) needed for registration of NGOs. These resources help mitigate the mistakes and submission of incomplete documentation at the time of the registration and, therefore, minimize the possible comments from the official agencies, as well as the time spent for the registration.

In FY14, UCIPR collected practical cases and conducted a special survey on the implementation of the Law “On Public Associations”. UCIPR analyzed the situation and prepared a report on the issues regarding implementation of the NGO Law in Ukraine. [The report](#) covers the issues of legal regulations of the non-profit status of NGOs in terms of NGOs’ eligibility, the revenues that are not subject to taxation, and procedures for obtaining non-profit status. The document also highlights the shortcomings in respective regulations concerning financial sustainability of NGOs and administrative practices. Most importantly, the report offers recommendations on necessary amendments to the Tax Code and the NGO Law in terms of non-profit status of NGOs.



Furthermore, in summer 2014, UCIPR conducted a seminar for 12 activists and lawyers who work with the NGO Law. The event allowed collecting and discussing problem cases related to the implementation of the Law, which will serve as a basis for additional recommendations on legislative improvements. Additionally, UCIPR, together with the Ministry of Justice, conducted a [roundtable](#) on the yearlong experience of the implementation of the NGO law. The event brought together First Deputy Minister of Justice, Head of the NGO department of the State Registration Service, as well as civil servants and civic activists, to discuss the results of the monitoring conducted by UCIPR and the main challenges to the NGO law implementation. As a result of the round table, First Deputy Minister of Justice instructed the relevant department of the State Registration Service to develop a work plan on implementation of the recommendations prepared by civic experts and on addressing the mentioned problems.



Advocating more favorable mechanisms of public participation in decision-making in selected cases on the regional level (advocacy of the bill #0867 “On Local Referendum”)

To promote the mechanisms of public participation, together with local democracy experts, UCIPR developed three booklets on legal mechanisms of local democracy, specifically:

- [“How to submit a draft decision to the City Council through a local initiative”](#)
- [“How to conduct public expert review of the activities of local councils”](#)
- [“How to conduct a public hearing”](#)

During this period, UCIPR conducted three regional seminars (in Mykolaiv, Zaporizhzhya and Odessa) on practical tools for public control over local budget expenditures. Up to 12 local activists took part in each seminar. UCIPR also developed and published a manual on these tools for public control over local budget expenditures. Both the seminars and the manual included practical and easy-to-understand information on budgeting process and public participation in it, analysis and control over budget expenses, and monitoring of public procurement.

### Capacity development component

#### **Technical capacity**

In accordance with the developed Roadmap, UCIPR created internal procedures for outsourcing technical expertise, which allows the organization to engage experts from all regions of Ukraine based on its strategic priorities and react to any urgent demand for legal expertise. In FY14, UCIPR improved its ability to promptly respond to donors RFAs. One of the factors that contributed to this progress was the NGO’s participation in New Business Development workshop, which Pact organized on November 12 – 15, 2013. The training covered project design and proposal development in response to donor RFAs. The knowledge gained at the workshop helped organization to respond promptly on USAID program description in April-May 2014.

#### **Organizational capacity**

UCIPR successfully implemented all Non-US Organization Pre-Award Survey (NUPAS) recommendations concerning organizational capacity. The organization amended its statute, officially adding the word “Ukrainian” to its previous name. Moreover, UCIPR developed a pay scale within the organization, improved the organizational chart, and clarified the subordination relations in order to avoid any kind of conflict of interest.

In FY14, UCIPR achieved all the goals from its Roadmap, in terms of organizational capacity. It introduced an efficient Human Resources Management System, an effective Procurement Policy, strengthened its governance system, ensured information security, and introduced a new Project Management System. These changes will help the organization manage its human and financial resources, prevent conflicts of interest, increase the credibility of the organization, and successfully implement projects.

#### **Adaptive capacity**

UCIPR participate in coaching sessions on change management, including individual meetings with the leadership of the organization and all-staff meetings. These sessions ensure the organization’s capacity to deal with changes, both on the organizational and individual levels. This implies the ability to adapt to the change effectively, and the ability to define and implement necessary procedures and technologies. At the meetings, the participants developed diagnostic tools needed for changes, identified areas of the organization that need to change,

and discussed indicators of the effectiveness of the organization's strategic directions. Also, UCIPR continued to develop its Monitoring and Evaluation System.

### **Influencing capacity**

In FY14, UCIPR established a strong basis for further improvements of the influencing abilities of the NGO. Specifically, within the reporting period, the NGO significantly improved its communication with the international community and donors. It participated in a training on public speaking and presentations, which will allow the team to present the NGO and its position more clearly and tailor its messages to the peculiarities of different audiences. Moreover, UCIPR is developing communication practices that will ensure permanent communication with its partners, and is establishing new practices of working directly with citizens and NGOs whose interests the organization represents. Finally, as part of improvement of communication with its stakeholders, UCIPR published the [annual report for 2013](#).

### **Objective 3: NGOs are transparently governed and capably managed**

In FY14, Pact continued to strengthen organizational capacity of Ukrainian Center for Independent Political Research (UCIPR) and ISAR Ednannia, working with them on implementation of the recommendations of the Non-US Organization Pre-Award Survey (NUPAS). As ISAR Ednannia was transitioning to direct USAID support, Pact continued to support the implementation of Capacity Development Marketplace, in order to further strengthen Marketplace mechanism in its role of a broker of capacity development services to NGOs.

#### **Activity 3a: Implement Non-US Organization Pre-Award Survey recommendations and strengthen other advanced capacities of transitioned partners**

##### ***1. Design and develop graduation roadmaps***

The graduation roadmaps were finalized in October 2013. Based on the roadmaps, Pact provided comprehensive capacity development support to transitioning partners, including grants, direct technical assistance from Pact staff, and engagement of additional external experts. Each roadmap has identified

##### ***2. A series of opportunity development trainings***

On November 12 – 15, 2013, Pact organized the training “New Business Development: Project Design and Proposal Development in Response to Donor RFAs”. This training was a part of the effort to help selected Ukrainian NGOs master a different model of fundraising. This knowledge became a critical step forward towards new origins of resources, particularly, potential US government funds. The trainers helped the participants understand how to read proposal guidelines and RFAs, how USG evaluates proposals, and what is needed to develop cost and technical applications.

As follow-on to the training, Pact launched a series of Community of Practice meetings (COPs) for UNITER graduating partners. During the meetings, Pact staff shared their experience in managing USG funding, explaining the components of a Cooperative Agreement and USAID policies and regulations from the position of an implementing partner. After each meeting, the

partners received a follow-up package with COP materials and useful links. Also, Pact team provided daily support to the partners regarding direct funding issues and preparation process.

During April – June 2014, Pact assisted both UCIPR and ISAR in preparation of their project description for USAID civil society project. Pact provided a number of individual consultations, mentoring sessions, and meetings with USAID representatives to help the partners clarify technical application details and USAID expectations, finalize project descriptions, budgets and budget narratives, fill in all technical documentations needed for signing cooperative agreement, and respond to comments and recommendations to their proposals.

### ***3. Log-frame and results monitoring training***

Both UCIPR and ISAR included the development of a USAID-oriented monitoring and evaluation system in their Graduation Roadmaps. While the organizations had some elements of an M&E system, they needed to develop a more systemic approach to it. Both partners had limited knowledge of the USAID requirements and processes. To address the gaps, Pact designed a training program that included sections on the main components of an M&E system, USAID rules and regulations, with a special focus on ADS 203: Assessing and Learning and USAID Evaluation Policy; development of result framework and indicators, and data quality management. Pact conducted two group sessions and provided individual consultations, based on the partners' requests and needs during their M&E planning under USAID cooperative agreement. Between the sessions, the partners fulfilled practical assignments, which helped them better understand M&E processes.

Based on partners' request, Pact organized a two-days training session on Logical Framework Approach to writing and project management. The main goal of the training was to provide UNITER key partners with knowledge and practical skills on using the Logical Framework Approach (LFA) as the main tool of design, management and evaluation of development projects. Apart from ISAR and UCIPR teams, other UNITER partners participated in the training, namely Center for Political Studies and Analysis (CPSA), Centre UA, Anticorruption Action Center (AntAC), and Institute of World Policy (IWP). The trainer who conducted the session mentioned that ISAR team had fundamental theoretical knowledge and extensive practical experience in preparation and implementation of projects using the LFA. Nevertheless, ISAR noted that they found the information obtained during the training useful and practical. UCIPR team, which did not have any experience in preparing project proposals using LFA, demonstrated well-organized teamwork during the training and will further develop their understanding of the approach by applying the obtained knowledge to practice.

### ***4. Coaching on change-management***

Going through significant organizational change required for obtaining direct funding from international donors was not always simple for the partners. Getting everyone on board with the change, expanding the team and changing the ways things always worked were among common issues that the partners faced when introducing changes to their organization. To ensure that the transition process was smooth, Pact provided its partners with a change management coach. Oleksandra Baklanova, an employee of pro.mova expert company, was hired to work with the NGOs' leaders individually and with the teams in April – July 2014. The goal of the coaching sessions was to ensure the organizations' capacity to deal with changes on the organizational and individual levels.



For ISAR Ednannia team, the drive to work on its adaptive capacity is based on the strategic change the organization is approaching, namely increasing the scale, assuming more leadership, in the sector, building expertise, becoming even more of an integrator, and growing into an advisor. The ISAR team has high capacity to learn, strong critical thinking abilities, and healthy dynamics. The sophistication of ISAR financial systems allows the organization to cater to the different requirement of the donors and may make auditors happy. On the other hand, it leaves less time and resources to managerial purposes, namely, to support to the top management and the team in their decision-making, especially considering the organization's further growth and development.

One of the main things that the coach tried to achieve with ISAR was comprehension that change is something one can manage, both on organizational and on personal level, rather than simply becoming its object. ISAR Ednannia also worked to upgrade its understanding of the stakeholders, and especially its target audience, as related to change management. The coach explained that changes in the audience are some of the most important drivers, which should also prompt changes in the services provided to these audiences and, consequently, in the way the organization functions to deliver these services.

Based on the coach's review, learning to operate both institutional and cultural factors in change are especially important for ISAR. Since a large part of the organization's work is related to organizational development culture and capacity building, ISAR's capacity to connect the institutional and cultural factors in this particular case will as a leverage to help the sector development.

In case of UCIPR, the coaching sessions largely focused on change content and change process, as well as on the right way to connect the two. The coach recommended that, in terms of adaptive capacity, UCIPR team pay attention to the key external factors, namely the change in UCIPR's key stakeholders (from civil servants to donors) and to the changing context. Similarly to ISAR, UCIPR was advised to count in both institutional and cultural factors when designing and implementing changes. Moreover, the coach suggested that UCIPR pay attention to M&E system. Even more importantly, the NGO was encouraged to immediately deal with the internal conflict between two out of the three program directors, choosing a sustainable solution and avoiding "zero-sum-game". For more information on UCIPR's progress in development of its capacity, please see the relevant section of the report on Objective 2.

**Activity 3b: Continue to support NGO Capacity Building Marketplace as a tool that provides organizational development assistance to a sector at large**

### ***1. Sub-award to ISAR***

Second Capacity Development Forum On November 21, 2013, [the Second Capacity Development Forum](#) brought together over 650 representatives of 230 organizations coming from non-profit, business, government, and education sectors. While residents of all regions of Ukraine attended the Forum, the majority of participants came from Kyiv, Vinnytsya, Khmelnytsky, Dnipropetrovsk, Chernigiv, Lviv, and Crimea. Most NGOs represented local philanthropic organizations, HIV/AIDS and human rights sectors.

The event also involved a number of high-level guests. The opening remarks to the participants were delivered by Advisor to the President and the Head Presidential Administration Main

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Office for Constitutional and Legal Modernization Affairs, UNDP Country Director, representatives of USAID Office of Democracy and Governance, Delegation of the European Union to Ukraine, and Embassy of Sweden in Kyiv.

The Forum focused on three main themes: “Assessment of Organizational Development Capacity Needs: Methods and Approaches”, “Organizational Development Strategies” and “Organizational Development for Everyone: Trends and Challenges”. During the opening panel discussion, the participants shared their ideas on how NGOs can become truly influential.<sup>8</sup> Furthermore, 29 capacity development topics were covered during the “Ukrainian Café” session.

The Forum also featured the meeting of CD Marketplace stakeholders “Lessons and Prospects of the Marketplace System in Ukraine and Beyond”. The latter involved representatives of IRF, Peace Corps Ukraine, Internews/U-Media project, the EU Delegation to Ukraine, CD Marketplace in Belarus, ISAR, and Pact (UNITER, RESPOND, and BRAMA projects).

The stakeholders discussed the CD Marketplace as an institution in different geographic, political, and economic contexts and arrived at the following conclusions:

- Administrators of the Marketplace should define an overall long-term strategy depending on the country context;
- The Marketplace should offer different packages and prices for different services available through the platform.
- Further steps to ensure sustainability and service quality are necessary.
- Promotion of organizational development culture using Marketplace approaches and philosophy remains crucial.

A brief summary of the II CD Forum is available as a [Prezi presentation](#) prepared by ISAR. The official video of the CD Forum 2013 could be found [here](#).

In August 2014, ISAR began preparations for the Third CD Forum in the framework of their agreement with USAID. ISAR decided to use the positive experience of Capacity Development Community of Practice meetings as a platform for the Forum preparation. This demonstrates that Pact’s partners have finally adopted Pact’s approaches and actively employ capacity development tools and methodologies that improve NGOs’ capacity and strengthen capacity development culture in Ukraine.



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<sup>8</sup> The highlights of the opening session discussions are available at: [https://www.youtube.com/watch?v=aKSDB\\_SCEFM](https://www.youtube.com/watch?v=aKSDB_SCEFM); <https://www.youtube.com/watch?v=Rnz8Wy-WcTI>; and <https://www.youtube.com/watch?v=iVADGXzbcHM>

### Capacity Development Marketplace Graduation

During the reporting period, Pact and ISAR concentrated on graduation activities. Pact helped ISAR develop and finalize a graduation roadmap. In September 2013, ISAR began to implement 21 goals under all four capacity areas (Organizational, Technical, Influential, and Adaptive). Working closely with Pact, ISAR Ednannia improved work of Capacity Development Marketplace and prepared for direct funding from USAID. To improve services provided by Marketplace, ISAR:

- Improved Marketplace evaluation mechanism: Voucher holders are now obliged by contract to perform online evaluation of voucher impact. The evaluation form is integrated into the web site. More than 50 organizations have evaluated voucher impact on their organizational development (OD). The results of this evaluation are available on the main page of the webportal. The feedback option on OD services is available to and promoted among registered users. At the same time, the mechanism includes a public rating system, along the system of the comments and voucher effectiveness analysis.
- Developed online Organizational Self-Assessment and Planning tool, which is available in [MS Excel format on the Marketplace portal](#). The online module, based on the updated voucher application form, is expected to be launched in October 2014.
- Improved quality control of the services provided at Marketplace: ISAR launched [endorsement verification](#) for the services offered on the platform. In order to endorse or verify service quality, the provider completes an online questionnaire for the service, providing certificates and diplomas, as well as references from previous clients. After receiving the questionnaire, ISAR Ednannia verifies information by checking references and supporting documentation. ISAR also visits provider and talks to its clients and donors. Those who pass the verification are marked with a special sign on their profile. According to the new requirements of the Marketplace, all service providers that provide services worth more than \$1,000 should undergo the endorsement system first. Additionally, in September 2014, ISAR conducted a special workshop for interested service providers to present and discuss the improved evaluation mechanism.

### **2. Technical consultation to the Marketplace**

Based on the graduation roadmap, ISAR developed a list of priorities for technical consultations for the Marketplace development. The list included:

- Marketplace Strategic Business Plan development;
- Marketplace M&E system development and roll-out;
- Change management coaching to ISAR;
- Pact's coaching and mentoring on service packaging, communication with international community, service quality verification system, new thematic packages, and cooperative agreements and provisions.



During the reporting period, ISAR and Pact, together with the consulting agency *pro.mova*, developed Marketplace Strategic Business Plan. Taking into consideration the organization's increased workload and tense social and political situation in Ukraine, it was a tough task for ISAR to dedicate enough time to its own development. Nevertheless, ISAR and *pro.mova*



finalized Marketplace strategy in July 2014 and are going to present it at next Steering Committee meeting in the fall 2014. The objectives of the plan include:

- finalized strategic goals and clear objectives for CD Marketplace;
- analysis of the existing services at Marketplace and marketing analysis of the clients' needs;
- development of packages and their pricing;
- strategy for promotion of CD Marketplace services on Ukrainian training market;
- financial planning and risk assessment.

The culture that pro.mova and Pact had nurtured with the Marketplace team throughout the strategy development was based on understanding that the designed documents would really help ISAR, and on keeping the process “live”, i.e. upgrading, modeling, and testing various scenarios. In the process of work, ISAR demonstrated that it had finally taken ownership and accepted Marketplace as its own product. It acted in good faith to address the issues related with Marketplace Strategy development and had a clear vision of the elements that had to be upgraded. The Marketplace Strategy that ISAR will present at the next Steering Committee meeting meets two most important criteria: it provides clear answers and is genuinely owned by the team. These factors significantly increase the chance of the successful implementation of the strategy.

#### **IV. OTHER ACTIVITIES**

##### ***1. Grants monitoring and evaluation***

Implement a plan requiring responsible mission staff to periodically verify data reported by its implementing partners, including for this project, and to document verification activities and results (page 7)

- UNITER project went through OIG Results Audit and USAID Performance Evaluation during October 2013. The OIG report recommends to take measures to improve data quality collected and stored by Pact. During FY14, Pact has engaged with [DevResults](#) to design the data base that will improve the data management of UNITER. Pact has started migration to the new data base system and plans to finalize the migration in FY15.
- Pact has piloted the Gender Assessment tool on its key three partners including Center UA, UCIPR and ISAR. Starting from October 1, 2014 Pact will incorporate Gender assessment in its procedures and encourage all advocacy partners in using gender checklist in their advocacy.

##### ***2. Promotional resources***

- Pact has worked on re-design of its web-site that will be launched in October 2014. The new web-site will have a more convenient structure and simple design and enhance project communication.
- Pact has upgraded its weekly highlights that is now spread through MailChimp to over 700 addresses to interested stakeholders. Based on informal feedback, UNITER highlights is the best source of information about Ukraine's civil society weekly news.

#### **V. COORDINATION**

Pact continues to engage in coordination with other USG project implementers including NDI, IRI, IFES, FAIR, RADA, FinRep II and others. Pact regularly communicates with non-USG donors and leads donor coordination on specific projects and grants, including:

- National Exit-Poll has drawn attention of multiple donors and required intense coordination in the period of pre-term Presidential and Parliamentary election. Pact lead a discussion on shared budget and quality of Democratic Initiative Foundation work
- Reanimation Package of Reforms – a key platform of reforms oriented NGOs that unites over 150 experts and advocacy practitioners. Pact works closely with EU Delegation, EED and IRF on coordinating their support to the platform.